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FISCAL IMPACT STATEMENT

LS 7307

BILL NUMBER: HB 1427

NOTE PREPARED: Jan 13, 2013

BILL AMENDED:

SUBJECT: Various Education Matters.

FIRST AUTHOR: Rep. Rhoads

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Annual Report* -This bill removes a requirement that a school corporation must publish an annual financial report.

Buddy System Project: The bill eliminates references to the "Buddy System Project" in provisions relating to an income tax credit for computer equipment donations.

School Bus Inspection & Registration: The bill changes the registration deadline for school bus owners that are not school corporations from July 29 to September 28. It requires school bus inspectors to attach to the bus a certificate of inspection and document the certification in the School Bus Inspection Data Base.

Education Service Center -The bill amends the definition of "educational service center". It repeals provisions relating to the establishment and administration of educational service centers by the Indiana State Board of Education (State Board) and provides instead that the State Board shall adopt rules regarding administration of educational service centers.

Textbooks - The bill replaces the definition of "textbook" with a definition of "curricular materials". It provides that the Indiana Department of Education (Department) shall determine the process for evaluating the curricular materials' alignment to academic standards and the appropriateness of the reading level of the curricular materials. The bill requires the Department to describe the method used to evaluate curricular materials. The bill makes changes to the type of curricular subject matter that the Department must review to show that the curricular material is aligned to academic standards. The bill also repeals the requirement that a superintendent of a school corporation forward a list of the curricular materials selected by the superintendent.

Obsolete Programs: The bill abolishes the following programs and entities concerning various education matters:

1. Technology Apprenticeship Grant Program.
2. Education Consultant for Health and Physical Education.
3. Corporation for Educational Technology.
4. Principal Leadership Academy.
5. School Grant Writing and Fund Raising Assistance Program.
6. School Intervention and Career Counseling Development Program Advisory Board.
7. Technology Preparation Task Force.
8. Research and Development Program Concerning Various Studies and Evaluations.
9. Department of Education Review of Professional Development Programs.
10. Readiness Testing.
11. Student Services Programs.
12. Teacher Quality and Professional Improvement Program.
13. Projects on Innovative Education.
14. Committee on Educational Attitudes, Motivation, and Parental Involvement.
15. Istep Program Citizens' Review Committee.
16. Twenty-First Century Schools Pilot Program.
17. Anti-gang Counseling Pilot Program and Fund.

ISTEP Review -The bill requires the State Board to provide for reviews to ensure the validity and reliability of the ISTEP program.

Teacher of the Year: The bill replaces the Ambassador for Education Program with provisions that allow a Teacher of the Year to serve one year of professional leave with the Department of Education or a postsecondary educational institution.

Primetime- This bill repeals a provision that requires a school corporation to compile class size data for kindergarten through grade 3 and report the data to the Department for purposes of maintaining the Primetime Program.

Innovative Testing Methods Pilot Program: The bill repeals the Innovative Testing Methods Pilot Program.

The bill makes conforming changes. It makes technical corrections.

Effective Date: January 1, 2013 (retroactive); July 1, 2013.

Explanation of State Expenditures: *Education Service Center* -The repeal of provisions relating to the establishment and administration of educational service centers by the State Board and instead providing that the State Board shall adopt rules regarding administration of educational service centers should have no fiscal impact.

Textbooks - The change definition of textbooks with a definition of curricular materials should not have an impact on the Department. The Department would still have similar responsibilities in regard to curricular material as they do for textbooks.

Teacher of the Year: Replacing the Ambassador for Education Program with provisions which allow a Teacher

of the Year to serve one year of professional leave with the Department of Education or a postsecondary educational institution should have no additional fiscal impact.

ISTEP Review - The review of the ISTEP test for validity and reliability could be done with the current appropriation. For FY 2012, the Department of Education spent about \$29 M on testing.

Primetime- The elimination of the report could reduce the Department's expenditures for collecting and verifying the data. The reduction is probably minor.

Explanation of State Revenues: *Buddy System Project:* The Buddy System Project was terminated several years ago so the elimination of provisions relating to an income tax credit for computer equipment donations should have no fiscal impact.

Explanation of Local Expenditures: *Annual Report*- The bill could reduce school publishing costs. The amount of the reduction is unknown. Schools spent about \$3.3 M in FY 2012 on printing, publishing, duplicating services.

Obsolete Programs: According to the Department, the 17 programs listed for elimination have had no staff or activity associated with the programs for the last few years. The elimination of the programs should have no fiscal impact.

School Bus Inspection & Registration: The bill changes the deadline for registration of a school bus that is not owned by a school corporation from July 29 to September 29 of each year. The same number of buses would be inspected but the State Police would have an additional month to do the inspection and document the certification in the State Police's School Bus Inspection Data Base for school buses that are not owned by a school corporation. The provision should have no fiscal impact. Approximately 14,000 school buses are inspected each year.

Education Service Centers: There are currently nine education service centers that cover the state of Indiana. Education Service Centers operate in a specific geographic region, and schools have to use the center in their region. The bill would allow schools to create additional centers to serve their common needs. The impact would depend on the education service centers created and the services they provide. Schools pay for the services obtained from their current revenue streams.

Primetime- The elimination of the report to the Department could reduce local school expenditures. The reduction is probably minor.

Innovative Testing Methods Pilot Program: The elimination of the pilot should have no fiscal impact it was not funded for FY 2012 or 2013.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Schools.

Information Sources: Department of Education.

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